



Department of Medical Assistance Services
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MEDICAID MEMO

TO: All Nursing Home Providers participating in the Virginia Medical Assistance Programs and all holders of the *Nursing Home* Medicaid Provider Manual

FROM: Patrick W. Finnerty, Director
Department of Medical Assistance Services (DMAS)

MEMO Special
DATE 6/28/2005

SUBJECT: Preferred Drug List (PDL) Changes Affecting Nursing Home Providers
– Effective August 1, 2005

The purpose of this memorandum is to clarify two policies specific to nursing home providers related to the administration of the Preferred Drug List (PDL):

1. The appropriate process for submitting claims for emergency fills; and
2. The authorization requirements for the COX-2 drug class.

72-HOUR-SUPPLY PROCESSING POLICY

Many nursing home providers are requesting retrospective authorizations for non-preferred drugs on the PDL. This practice does not follow the current PDL guidelines for an emergency prior authorization (PA), as noted below:

The PDL program provides for a process whereby the pharmacist may dispense a 72-hour supply of the prescribed medication if the physician is not available to consult with the pharmacist (including after hours, on weekends, and on holidays), and the pharmacist, in his professional judgment consistent with current standards of practice, feels that the patient's health would be compromised without the benefit of the drug. The 72-hour supply will require a phone call by the pharmacy provider to First Health Services Corporation at 1-800-932-6648 for processing.

We understand that emergency fills are often required in the nursing home setting. DMAS has made provisions to assist nursing home providers with these unforeseen instances. **Programming changes were made to allow an automated emergency PA process that will not require an immediate telephone call to our Clinical Call Center.** When the non-preferred drug is dispensed, the following information must be included on the claim for an emergency fill:

- Prior Authorization Type Code should equal “1”
- Prior Authorization Number submitted must equal “72”
- Days’ Supply should equal “3”

***NOTE:** These fields must contain this information in order to receive a 72-hour supply of a non-preferred drug subject to the PDL without completing a call for prior authorization.*

The system will only allow one 72-hour fill for a claim with the same NDC (National Drug Code), provider, and recipient. Within three days of dispensing the medication, you must either obtain a prior authorization for the non-preferred drug or switch to the preferred drug. **This procedure must be completed proactively, prior to your claims submission. No retroactive prior authorizations will be granted. This procedure will be enforced effective August 1, 2005.**

If your practice management software allows, pharmacy providers are entitled to an additional \$3.75 (brand name drugs) or \$4.00 (generic drugs) dispensing fee when filling the completion of a 72-hour-supply prescription for a non-preferred drug. To receive the additional dispensing fee, the pharmacist must submit the 72-hour supply as a partial fill and, when submitting the claim for the completion fill, enter “03” in the “Level of Service” (data element 418-DI) field. The additional dispensing fee is only available to the pharmacist after dispensing the completion fill of a non-preferred drug when a partial (72-hour supply) was previously filled, because the prescriber was unavailable for the prior authorization.

CLINICAL EDIT FOR COX-2 INHIBITORS

With the implementation of the clinical edit for COX-2 drugs in July 2004, DMAS allowed an exemption for recipients over age 60. The clinical edit requires patients to try two Non-steroidal Anti-Inflammatory Drugs (NSAIDs) or to have been identified with a designated co-morbid condition prior to approval of a COX-2 drug. These NSAIDs are covered in both prescription strength and over the counter. **This exemption for the over-age-60 population will expire on August 1, 2005, requiring all recipients to receive prior authorization based on the clinical criteria. The only drug available in the COX-2 drug class is Celebrex®.**

PDL CLINICAL CALL CENTER

Providers who may have questions about these matters should call the First Health Services Clinical Call Center at 1-800-932-6648. Pharmacists should contact the patient's provider requesting them to initiate the PA process. Prescribers can initiate PA requests by letter, by faxing the attached form to 1-800-932-6651, or by contacting the First Health Services Clinical Call Center at **1-800-932-6648** (available 24 hours a day, seven days a week). Faxed and mailed PA requests will be responded to within 24 hours of receipt. PA requests can be mailed to:

First Health Services Corporation
4300 Cox Road
Glen Allen, VA 23060
ATTN: MAP Department/VA Medicaid
Fax: 1-800-932-6651
Phone: 1-800-932-6648

A copy of the PA form is available at <http://www.dmas.virginia.gov/pharm-home.htm> or at <http://virginia.fhsc.com>. The PDL criteria for PA purposes are also available on both websites. Additional information and Provider Manual updates will be posted as necessary. Comments regarding this program may be emailed to the P&T Committee at pdlinput@dmas.virginia.gov.

ELIGIBILITY AND CLAIMS STATUS INFORMATION

DMAS offers a web-based Internet option (ARS) to access information regarding Medicaid or FAMIS eligibility, claims status, check status, service limits, prior authorization, and pharmacy prescriber identification information. The website address to use to enroll for access to this system is <http://virginia.fhsc.com>. The MediCall voice response system will provide the same information and can be accessed by calling 1-800-884-9730 or 1-800-772-9996. Both options are available at no cost to the provider.

COPIES OF MANUALS

DMAS publishes electronic and printable copies of its Provider Manuals and Medicaid Memoranda on the DMAS website at www.dmas.virginia.gov (*please note the new DMAS website address*). Refer to the Provider Column to find Medicaid and SLH Provider Manuals or click on "Medicaid Memos to Providers" to view Medicaid Memoranda. The Internet is the most efficient means to receive and review current provider information. If you do not have access to the Internet or would like a paper copy of a manual, you can order it by contacting Commonwealth-Martin at 1-804-780-0076. A fee will be charged for the printing and mailing of the manuals and manual updates requested.

PROVIDER E-NEWSLETTER SIGN-UP

DMAS is pleased to inform providers about the creation of a new Provider E-Newsletter. The intent of this electronic newsletter is to inform, communicate, and share important program information with providers. Covered topics will include upcoming changes in claims processing, common problems with billing, new programs or changes in existing programs, and other information that may directly affect providers. If you would like to receive the electronic newsletter, please sign up at www.dmas.virginia.gov/pr-provider_newletter.asp.

Please note that the Provider E-Newsletter is not intended to take the place of Medicaid Memos, Medicaid Provider Manuals, or any other official correspondence from DMAS.